

BEFORE THE DEPARTMENT OF PUBLIC
HEALTH AND HUMAN SERVICES OF THE
STATE OF MONTANA

In the matter of the adoption of Rules I)	NOTICE OF ADOPTION AND
through VII, and the amendment of)	AMENDMENT
ARM 37.86.2901, 37.86.2907,)	
37.86.3002, and 37.86.3005 pertaining)	
to Medicaid reimbursement for inpatient)	
and outpatient hospital services)	
)	

TO: All Interested Persons

1. On April 20, 2006, the Department of Public Health and Human Services published MAR Notice No. 37-379 pertaining to the public hearing on the proposed adoption and amendment of the above-stated rules, at page 1030 of the 2006 Montana Administrative Register, issue number 8.

2. The department has adopted New Rules I (37.86.3101), II (37.86.3103), III (37.86.3105), V (37.86.3109), VI (37.86.2903), and VII (37.86.3003) as proposed.

3. The department has amended ARM 37.86.2901, 37.86.3002, and 37.86.3005 as proposed.

4. The department has adopted the following rule as proposed with the following changes from the original proposal. Matter to be added is underlined. Matter to be deleted is interlined.

RULE IV (37.86.3107) OUTPATIENT ~~HOSPITAL~~ HOSPITAL SERVICES,
CARDIAC AND PULMONARY REHABILITATION, WAIVER OF SERVICE
LIMITATIONS (1) remains as proposed.

AUTH: 53-2-201, 53-6-111, MCA

IMP: 53-2-201, 53-6-101, MCA

5. The department has amended the following rule as proposed with the following changes from the original proposal. Matter to be added is underlined. Matter to be deleted is interlined.

37.86.2907 INPATIENT HOSPITAL PROSPECTIVE REIMBURSEMENT,
DRG PAYMENT RATE DETERMINATION (1) through (2)(c) remain as proposed.

(3) The Montana Medicaid DRG relative weight values, average length of stay (ALOS), and outlier thresholds are contained in the DRG Table of Weights and Thresholds (~~March 4~~ effective July 1, 2006) published by the department. The department adopts and incorporates by reference the DRG Table of Weights and Thresholds (~~March 4~~ effective July 1, 2006). Copies may be obtained from the

Department of Public Health and Human Services, Health Resources Division, 1400 Broadway, P.O. Box 202951, Helena, MT 59620-2951.

AUTH: 2-4-201, 53-2-201, 53-6-113, MCA

IMP: 2-4-201, 53-2-201, 53-6-101, 53-6-111, 53-6-113, MCA

6. The department has added additional text in Rule IV (37.86.2907) to correct an error in the Notice of Public Hearing published at page 1030 of the 2006 Montana Administrative Register. In paragraph 5 of the notice the department stated the changes to Rule IV (37.86.2907) were to become effective July 1, 2006. Unfortunately, the effective date was not correctly reflected in the text of proposed Rule IV (37.86.2907). If the department does not make this change, confusion about the effective date of the DRG Table of Weight of Weights and Measures will unnecessarily complicate the Medicaid inpatient and outpatient hospital reimbursement process.

7. The amendments to ARM 37.86.2907(1)(c), 37.86.3002, 37.86.3005, and Rules I, II, III, IV, and V are applied retroactively to January 1, 2006. The amendments to ARM 37.86.2901, 37.86.2907(1)(b) and (c), 37.86.2907(3), and Rules VI and VII are effective July 1, 2006.

8. No comments or testimony were received.

/s/ John Koch
Rule Reviewer

/s/ Russell Cater for
Director, Public Health and
Human Services

Certified to the Secretary of State June 12, 2006.